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Governor

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**THOMAS B. MILLER**  
Commissioner

**ROBERT M. GILLIM**  
Executive Director

**MEMORANDUM**

To: Thomas B. Miller, Commissioner  
Kentucky Department of Revenue

From: R. Mack Gillim, Executive Director *MG*  
Office of Processing and Enforcement

Date: October 6, 2015

Subject: Annual Adjustment to the Tax Interest Rate for 2016

Pursuant to KRS 131.183, the 2016 tax interest rate has been set at four percent (4%). The rate charged by the Kentucky Department of Revenue on unpaid taxes shall be six percent (6%) and when interest is due on a refund, the rate shall be two percent (2%). The rate remains unchanged from 2015.

This rate, effective January 1, 2016, is based on the adjusted prime rate charged by Kentucky banks during the month of September 2015. A recent survey of Kentucky banks revealed that the average prime interest rate in September 2015 was four percent (4%).

Approved: *Thomas B. Miller* Date: 10-8-2015  
Thomas B. Miller, Commissioner  
Kentucky Department of Revenue